GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:1733
ANSWERED ON:10.12.2004
WORLD BANK AND ADB AID FOR EARTHQUAKE REHABILITATION WORK
Thakkar Smt. Jayaben B.;Thummar Shri Virjibhai

Will the Minister of FINANCE be pleased to state:

(a) whether the Gujarat Government has made repeated requests for favourable terms for the loans received from the World Bank and Asian Development Bank for earthquake rehabilitation work,

(b) if so, the decision of the Government of India on reducing the interest burden of the earthquake loan which was calamity of grave magnitude;

(c) whether the overall policy framework for loans for. major disaster reconstruction is proposed to be re-examined; and

(d) if so, by when?

Answer

minister of state for revenue in the Ministry of Finance (Shri s. s. palanimanickam)

(a): Yes, Sir.

(b): The State has been provided special relief by reducing the annual rate of interest on the loans for earthquake rehabilitation work from 10.5% to 9.5% with effect from 27.5.2003 in respect of the undisbursed amounts. The relief provided to Gujarat extends to all the states for the existing and future disaster rehabilitation programmes with assistance from the World Bank or the Asian Development Bank.

(c) : No, Sir.

(d): Does not arise.